



February 17, 2026

Representative Ken DeGraaf
200 E Colfax RM 307
Denver, CO 80203

Re: HB26-1056 Prescription Drug Benefit Information Transparency

Dear Representative DeGraaf:

Aimed Alliance is a 501(c)(3) not-for-profit health policy organization that seeks to protect and enhance the rights of health care consumers and providers. Aimed Alliance is staffed by a team of attorneys who leverage their experience and understanding of the law to inform state and federal legislatures about practices that violate consumer rights.

With this in mind, we are reaching out regarding HB26-1056 “Prescription Drug Benefit Information Transparency” related to prescription drug sourcing and alternative funding programs (AFPs).¹ While we applaud your efforts to improve prescription drug affordability and transparency, we urge you to reconsider certain provisions that are not in the best interest of consumers and employers.

I. Background

Under the proposed bill, a “pharmacy stewardship program” is a program that aims to optimize the financial performance of a self-insured employer’s pharmacy benefit while maintaining safety, continuity of therapy, and equal or lower member cost-share. Prescription drugs that are not filled through the pharmacy stewardship program are treated as prescription drugs under the existing health benefit plan.² Although the proposed bill refers to it by a different name, Aimed Alliance understands this to be an alternative funding program, or AFP. AFPs are third-party companies that partner with employer-sponsored health plans to manage the plan’s prescription drug benefits. While there are various approaches for AFPs, most commonly, AFPs attempt to source a drug from a manufacturers’ patient assistance programs or international pharmacies.³ If a prescription drug is unavailable through an alternative source, it is then covered as a typical pharmacy benefit under the plan terms. While these programs may appear helpful at the outset, in reality, they are unfair and deceptive to consumers and result in delays in access to care.

II. Clarify AFPs Cannot Be Burdensome or Invasive on Consumers’ Rights

¹ HB26-2056, https://leg.colorado.gov/bill_files/110816/download.

² *Id.*

³ Aimed Alliance, *Alternative Funding Programs*, <https://aimedalliance.org/alternative-funding-programs/>.

Aimed Alliance reiterates its long-standing position that AFPs are unfair and deceptive trade practices.⁴ AFPs mislead consumers and make it difficult for them to understand what benefits they are actually receiving under their health plan. For example, AFPs often require consumers to complete paperwork in a misleading or false manner so that the consumer appears eligible for the patient assistance programs (PAPs). The following is an excerpt from one AFP FAQ:

Is my medication still covered?

The plan will still pay for your medication with no increase in co-pay or cost share to you. However, the method of obtaining these medications have changed. Instead of funneling through your Pharmacy Benefits Manager, this will now funnel through Payer Matrix. If Payer Matrix is unable to obtain secure alternative funding, then coverage will revert to your traditional coverage.

What do I do if the manufacturer calls to confirm that there is no coverage for Specialty Drugs?

While the manufacturer may contact you, your Reimbursement Care Coordinators will help you prepare for these potential calls. The coverage effective December 1st, 2022, under the Barton's prescription drug benefit, is that all specialty drugs are 100% patient responsibility, with no portion of the cost being covered by the group. Additionally, these costs do not accumulate towards satisfying either the in-network or out-of-network deductibles, coinsurance or out-of-pocket maximums.

These statements are not only contradictory but also demonstrate that the intent of the AFP is to mislead consumers and to use consumers to mislead patient assistance programs. Therefore, to prevent consumers from unintentionally being involved in AFPs' unfair or deceptive practices, Aimed Alliance urges the Committee to amend the bill to prohibit AFPs, and companies using the same modus operandi, from requiring consumers to:

- (1) Attest that they do not have commercial insurance when the consumer is commercially insured;**
- (2) Sign a power of attorney to allow the AFP to make statements or act on consumers' behalf;⁵**
- (3) Apply to a PAP as a precondition of a health plan benefit determination for coverage; and**
- (4) Complete forms and submit information in a manner intentionally inconsistent with the PAP terms and conditions.**

⁴ Aimed Alliance, *Letter to FTC*, <https://aimedalliance.org/wp-content/uploads/2023/06/Aimed-Alliance-Letter-Regarding-Alt.-Funding-and-Non-EHB-Programs-as-Unfair-Trade-Practices-June-2023.pdf>; Aimed Alliance, *New Resource Helps Policy Makers Protect Consumers from Deceptive AFPs*, <https://aimedalliance.org/new-resource-helps-policymakers-protect-consumers-from-deceptive-afps/>.

⁵ *AbbVie v. PayerMatrix, Denial of Injunction*, <https://law.justia.com/cases/federal/district-courts/illinois/ilndce/1:2023cv02836/433197/343/>.

Aimed Alliance strongly urges the Committee to revise this bill to prohibit, rather than effectively permit, these AFP practices and protect Colorado consumers.

III. Prohibitions Against Misinformation Should Not Be Used as a Means of Deterring Public Interest Concerns

Section 3 of the bill would prohibit pharmacy benefit managers and health care consultants from knowingly making or disseminating false or misleading statements or claims to an employer, self-insured employer, or policyholder about the legality of a prescription drug sourcing program established by a “pharmacy stewardship program.”

Aimed Alliance strongly supports transparency obligations that ensure employers, plan sponsors, and consumers are given honest and accurate information about their health plan benefits. However, as written, Aimed Alliance is concerned that this language (1) fails to define what a “lawful pharmacy stewardship program” or “prescription drug optimized sourcing program” is and (2) would cause a chilling effect on advocates and advocacy organizations attempting to educate employers and payers on the harms of these third-party programs to consumers.

First, Section 3 attempts to prohibit speech related to false or misleading statements on a “lawful prescription drug optimized sourcing program established by a pharmacy stewardship program.” The ambiguity of this provision would make it challenging for advocates and advocacy organizations to reasonably comply with this provision. The bill defines a “prescription drug optimized sourcing program” as “a program for importing prescription drugs authorized by federal law and FDA regulation.” The bill does not state the specific laws or regulations these programs rely on to remain “lawful,” but rather reiterates that, somewhere within law and regulations, they are lawful. Without appropriate citations to authority, this circular reasoning fails to provide a meaningful understanding of the specific law these programs allege compliance with.

Aimed Alliance is familiar with one governing law and one enforcement-discretion policy that may be cited as relevant here. However, neither federal law nor FDA policy would apply to the type of “prescription drug optimized sourcing program” or “pharmacy stewardship program” described in this bill.

Currently, the only FDA-approved importation programs are those created under Section 804 of the Food, Drug, & Cosmetic Act. While Colorado has submitted an application for a program under Section 804, it has not yet been approved.⁶ Therefore, considering “pharmacy stewardship programs” are existing practices, they cannot purport to be legal under a pathway that does not yet exist.

⁶ Colorado Section 804 Importation Program Application, <https://hcpf.colorado.gov/drug-importation>.

In addition, the FDA has also created a personal importation policy⁷ which permits individuals to import certain prescription drugs from Canada under narrow circumstances. The FDA created the personal importation policy on the basis that one-off individuals going to Canada to access certain treatments, under narrow circumstances, is not the widespread importation that the Food, Drug, & Cosmetic Act intended to prohibit and protect the U.S. supply chain from. Importantly, the personal importation policy relies on the premise that this is an *individual* who is **voluntarily** seeking their medications *from Canada*. The proposed “pharmacy stewardship programs” or “prescription drug optimization program” are not the type of importation FDA intended to permit, as these programs become **mandated** by employers and result in the widespread importation that FDA intended to avoid under the Food, Drug, and Cosmetic Act. FDA’s intent is most clearly demonstrated by the warning letters it has sent to companies that are working with employers to import their employees’ prescription drugs from outside the United States in violation of the Food, Drug, and Cosmetic Act.⁸ Therefore, if this bill continues to move forward, it must clarify the legal authority under which these programs operate.

Second, Aimed Alliance is also concerned that the language of Section 3 would deter patient advocacy organizations and non-profits from discussing how certain health insurance practices are detrimental to health care consumers and in some cases, may be inconsistent with state and federal laws. Employer groups rely on non-profit and patient advocacy organizations to educate them on health insurance policies that are detrimental to employees. This is particularly true for certain chronic disease communities that have stigma associated with their condition, such as HIV/AIDS communities, and employees may feel uncomfortable discussing individual challenges with their employers. Therefore, to ensure their perspectives are heard and avoid naming individuals, non-profit organizations speak with employer groups about the issues their employee/patient communities are facing. Very often, these conversations include what employers should do in the best interest of their employees and what employers are required to do under an organization’s understanding of state and federal laws. These conversations are important as many employers do not have an employee who is solely dedicated to health benefit decisions; it is often one of their many responsibilities. Therefore, these conversations are critical to ensuring advocates and advocacy organizations can continue to have honest conversations about health insurance policies that impact employees, caregivers, and providers.

While non-profits and advocacy organizations would likely be protected when making genuine and good-faith efforts to educate employers on the risks of these third-party programs, this provision heightens the risk of litigation being used to create a chilling effect among advocates and advocacy organizations. Therefore, Aimed Alliance urges the Colorado legislature to ensure this provision is not used as an intimidation tool to limit patient, caregiver, and provider advocacy.

⁷ FDA, *Personal Importation*, <https://www.fda.gov/industry/import-basics/personal-importation>.

⁸ FDA, *ElectRx and Health Solutions, LLC*, <https://www.fda.gov/inspections-compliance-enforcement-and-criminal-investigations/warning-letters/electrx-and-health-solutions-llc-614251-03022023>.

IV. Ensure Companies Disclose Their Financial Interests in Third-Party Programs

While the current language is inadequate to protect consumers, Aimed Alliance applauds the intent of the provision to improve transparency between pharmacy benefit managers and health care consultants. Aimed Alliance urges the Committee to revise and amend the language to ensure pharmacy benefit managers and health care consultants cannot make false or misleading statements about benefits in a manner that does not deter public discourse, and ensure that third-party companies working with employers and payers properly disclose and identify their interests as for-profit businesses. A for-profit business disclosure would alleviate much of the confusion consumers face when alternative funding programs identify themselves as “patient advocacy organizations.”

Patient advocacy groups are organizations that represent, support, and advocate on behalf of patients, caregivers, and families living with rare, chronic, complex, or other specific conditions. These organizations often retain 501(c)(3) or 501(c)(4) status designations as non-profit organizations. These organizations aim to advocate on behalf of their community to ensure their voices, concerns, and stories are heard and responded to by actors within the health care system including, but not limited to, hospitals, health care providers, employers, health insurers, legislatures, and regulators. Patients, caregivers, and consumers rely on patient advocacy organizations to act in the best interest of the patient and help them navigate the health care system to ensure they can access their necessary care and treatments. Managing a chronic illness and receiving a new diagnosis can be a challenging experience for individuals and their families; thus, patients need to have trusted organizations that they can turn to and rely on to act in their best interest.⁹

Alternative funding programs are not the above-described programs, as these companies are for-profit companies whose interests are focused on making a profit by sourcing drugs from alternative pathways. Importantly, the profitability of alternative funding programs is dependent on their sourcing pathway being successful, and their payment is not influenced by patient outcomes, hospitalizations, or other negative consequences that may arise from alternative sourcing. As such, it is misleading to consumers for alternative funding programs to identify as acting in the patient’s interest as patient advocacy organizations. Therefore, Aimed Alliance requests that the bill be amended to require these clear disclosures and avoid misleading representations to consumers.

V. Add to the List of Consequences a Private Right of Action

If this bill is amended to prohibit the use of AFPs, Aimed Alliance urges the Committee to also amend the bill to provide a private right of action for consumers, as this will ensure they can hold AFPs accountable for any denials or delays in access to care that the consumer experiences

⁹ Letter to PayerMatrix, https://media.cancercare.org/documents/344/original/Response-to-Payer-Matrix_Final-8.17.23.pdf.

as a result of these programs and any deceptive, misleading, or unfair trade practices the programs engage in.

VI. Conclusion

In conclusion, Aired Alliance urges your office to amend the bill to better protect consumers from unfair or deceptive acts and practices. We would greatly appreciate an opportunity to meet with your office and further discuss our concerns.

Sincerely,

Ashira Vantrees, Esq.
Director of Legal Strategy and Advocacy

House Health & Human Services

02/17/2026 Upon Adjournment

HB26-1056 Prescription Drug Benefit Information Transparency

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
<p>Katherine Hamilton</p> <p>For</p> <p>Gold Health concierge</p>	<p>Dear Chair and Members of the Committee,</p> <p>My name is Kate Hamilton, founder of Gold Health Concierge. I am writing in support of HB26-1056 because transparency in prescription drug pricing is essential to restoring responsible healthcare stewardship.</p> <p>Currently, employers who sponsor health plans are often denied clear, complete information about prescription drug costs and sourcing options. This lack of transparency prevents them from managing healthcare resources wisely and creates unnecessary financial strain on both organizations and the individuals they serve.</p> <p>HB26-1056 protects employers by ensuring access to truthful information and preventing misleading claims about lawful prescription drug sourcing options. Transparency does not mandate any particular course of treatment. It simply ensures that decision-makers can see clearly and act responsibly.</p> <p>This matters because healthcare resources are finite. Every dollar unnecessarily consumed by opaque and inflated drug pricing is a dollar that cannot be invested in preventive, restorative, and root-cause approaches that improve long-term health outcomes.</p>

	<p>Employers across Colorado are seeking to invest in healthcare models that help people become healthier, reduce chronic disease burden, and decrease long-term dependence on costly interventions. However, they cannot redirect resources toward these solutions without first freeing them from inefficiencies caused by lack of transparency.</p> <p>HB26-1056 represents a common-sense step toward accountability, stewardship, and responsible use of healthcare funds. By restoring transparency, this bill helps create the opportunity for employers to invest in solutions that truly improve health and strengthen communities.</p> <p>For these reasons, I respectfully urge you to support HB26-1056.</p> <p>Sincerely,</p> <p>Kate Hamilton</p> <p>Founder, Gold Health Concierge</p>
<p>Jeany Rush For themselves</p>	<p>TO: HOUSE HEALTH & HUMAN SERVICES COMMITTEE</p> <p>RE: HB26-1056 Prescription Drug Benefit Info. Transparency</p> <p>Sponsor: Ken DeGraaf For 2-17-26</p> <p>FROM: JEANY RUSH COLORADO CONSTITUENT</p> <p>VOTE: YES FOR THE BILL</p> <p>This bill is also another necessary step in our state, and nation to give the citizens true transparency. So many agendas, product details, contents, costs, and dangers are hidden from us daily in our stores, pharmacies, hospitals, and more. It is high time all organizations, middlemen, medical practitioners were tasked with complete information, and details which often impact users in negative and huge economic ways. I like that the bill includes</p>

	<p>the fact that it is not a mandatory option, merely another option for employers, providers, and all to the benefit of the end user.</p> <p>If our medical/pharmaceutical industry were actually forced to be more transparent, it is likely, 90 Percent of the drugs being dispensed would not be used, but sent to a round/trash bin.</p> <p>Our Secretary of Health and Human Services has exposed so so very many dangerous products, compounds, vaccines, and information about what is being fed and given to the United States Citizens, it literally blows your mind. The Medical/pharma Industrial Complex is nothing but a sick Money Machine, and sadly has not cared about the people for decades. We are one of the least healthy nations in the entire world, with the highest rates of autism! WHY is that?</p> <p>I would venture to guess that it has an awful lot to do with a lack of transparency!</p> <p>This also goes a long way to stop fraud, overpricing, hidden outsiders, all gaining their pound of flesh from the end users.</p> <p>We need to keep track of these issues, and monitor the fraudulent and deceptive practices taking advantage of the American People by too many corrupt and criminal NGO’s, committees, organizations which claim to help our businesses, and our citizens, all the while compounding their costs for fair and honest healthcare.</p> <p>Thanks for this bill!</p>
<p>Michael Hoffman For himself</p>	<p>My name is Michael Hoffman and I am encouraging all of you to pass this bill! As one that has been subject to the outrageous pricing of pharmaceutical drugs personally in my fight for cancer, it is imperative to have truthful communications on the availability of pharmacy costs. It is outrageous that the options of safe and affordable options in first world pharmaceuticals options are being blocked by US lobbyists. Please help this state and our country be a part of this progressive change.</p>
<p>Ryan Smith For himself</p>	<p>My name is Ryan Smith, and I have been in the insurance arena for 13 years. Five of those years were spent in the group and voluntary benefits space. I now run a Field Marketing Organization</p>

	<p>(FMO) with 5,000 agents nationwide. I have written many groups and have helped many agents with the groups they want to enroll.</p> <p>One of the biggest areas we struggle with is access to prescription (Rx) information. When we ask a Pharmacy Benefit Manager (PBM) for claims data, we never get the real information we are after. We never receive an actual drug name, but rather a category the drug fits into. This makes it a struggle for our clients when we are trying to select the best Rx coverage for the group. This is especially true for specialty drugs that have an enormous cost for the plan.</p> <p>The problem is that the carriers we work with often own the PBM and the specialty pharmacy. This is a profit-driven approach across the board rather than an actual choice, as there is no line of sight to what the drugs truly cost. Furthermore, the groups purchasing the Rx coverage have no idea about sourcing these drugs, what other Tier 1 countries pay, or who actually owns which pharmacy.</p> <p>I support this bill to provide cost transparency, which will help any group avoid overspending and keep insurance and Rx programs affordable for the American business owner.</p>
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